

CHRISTMAS 1966

INTERNATIONAL BANK NOTE SOCIETY



MING NOTE—50 WEN

A.D. Ming Dynasty of ancient China. "FIFTY WEN" issued by Emperor HUNG WU. A pictorial inscription representing 50 cash coins. As repeated on the middle of the upper panel of the note's obverse.

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International Banknote Society



President: J. N. Lawrence

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Printed and Published by

The Standard Printing and Publishing Co.

5 Steele House, High Street, Dovercourt, Essex, England

FREE BANKING — 1837-1865

by VICTOR DELOE

Notes of state banks provided nearly all the money in circulation in the United States during the first half of the nineteenth century. The first issue of national currency after the adoption of the Constitution was in 1861.

The First and Second Banks of the United States, to a large extent, controlled note issues by state banks by requiring notes to be redeemed in gold or silver coin. However, even this requirement was not completely successful in preventing unbacked issues of notes. This partial restraint was removed when President Jackson caused the downfall of the Second Bank of the United States in 1834.

The existing banks took full advantage of the absence of any effective control over indiscriminate issues of notes, by greatly increasing their amount of circulating notes. Some state legislatures in a wave of democratic feeling, made it easier to establish a bank by passing Free Banking Acts. The first such act was passed by Michigan in 1837 and many states quickly followed suit. The laws regulating the granting of a charter varied so much from state to state that the common man had no way of knowing if the currency he used in his daily purchases was backed by five per cent of its value, by one hundred per cent, or by nothing at all.

For example: The Michigan act required that thirty per cent of the bank's capital be paid in before the bank could begin operation, and that security be deposited with the state auditor for circulating notes. In Indiana the bank could issue notes to the full value of state bonds deposited with the auditor, but must keep coin in its vaults to the amount of twelve and one half per cent of its circulating notes.

All the Free Banking Laws were thought to be adequate at the time of their enactment but later were proved to be hard to enforce and generally ignored even by some state authorities. Persons wanting to purchase stock in a bank that was required to sell stock for cash only, could borrow money to pay for the stock. He could then borrow from the bank to repay the original loan. This left the bank without cash but with its stock sold and in a position to issue notes and accept deposits. This action was legal enough to be accepted but hardly the way to organise a sound bank.

In states that required a cash reserve to be kept in the bank's vaults to redeem notes that might be presented, boxes of scrap metal covered by a layer of gold or silver coins were used to show state inspectors.

Some states, having seen disastrous issues of worthless notes in other states, expressly forbade the printing and issuance of bank-

notes, despite an inadequate supply of currency. These laws, too, were evaded. One method of evasion was to issue certificates of deposit stating that a specified amount had been deposited (usually in convenient denominations). Although these passed as currency they were not notes of issue, and therefore were within the letter if not the intent of the law. Another method was for a group of businessmen to organise a bank in a free banking state, and then circulate its notes in their own state through their businesses.

Banknotes were issued by banks operating without a charter and were even issued on banks that were non-existent. With the large volume of notes in circulation the only way businessmen could know which notes were acceptable was through Banknote Reporters and Counterfeit Detectors. These weekly and monthly publications gave information on bank failures, counterfeits and discounts applicable to various issues.

Not all state banking was bad; but the unsound banks and unscrupulous bankers made it hard for sound banks to survive. Two shining examples of sound banking were the Suffolk System, and the Louisiana System.

In New England the notes of the banks outside Boston were accepted by Boston banks only at a discount because of the expense of sending them to the bank of issue for redemption. Boston merchants, in order to avoid the discount kept the notes of country banks in circulation and presented notes of the city banks for redemption in cash. The Suffolk Bank in order to keep its notes in circulation proposed the following plan:

The banks in Boston were to redeem at par the notes of any country bank that maintained a cash reserve for that purpose in the Suffolk Bank. Any bank that refused to subscribe to this plan stood the risk of having its notes accumulated by the Suffolk Bank and presented for redemption in such large quantities that it might be threatened with ruin. Thus an arrangement was made through which the country banks' notes were accepted at par, the city banks kept their notes in circulation and a sound system was created that was one of the best in the nation.

Louisiana law required that banks hold a cash reserve of one third of their circulating notes, and to keep the other two thirds covered by short term commercial papers. Banks were prohibited from paying out notes of other banks, resulting in prompt redemption of any notes held by a bank that was not its own. These requirements made Louisiana banks so sound they were the only banks that did not suspend operations during the financial crisis of 1857.

The National Banking Act of 1863, granting the Federal Government power to charter banks, and a Federal Law of 1865 levying a ten per cent tax on notes issued by individuals or companies, made note issues by state banks unprofitable. This brought to an end the most colourful and interesting period in United States banking.

CHINESE CURRENCY THROUGHOUT THE AGES

by K. O. MAO of Hongkong

Sun Dynasty (960 A.D.-1279 A.D.)

The Sun Dynasty depended mainly on copper coins as its currency but it also saw the rise of silver as a substitute for copper. The appearance of paper notes also began to threaten the predominance of the copper coins.

The great varieties of Sun currency were so far not parallel. The reason for their complicatedness were manifold:—

1. This is the first time when copper and iron coins and later paper notes were all used at the same time.
2. Currency was extremely localised. Some areas would use only copped coins while another would use iron and copper coins together.
3. Every new Emperor would order new coins to be minted. Sometimes an Emperor would issue a new coin just because the title of his reign was changed.

The situation was further complicated by the different types of characters used for the inscriptions on the coins. The commonly used types included CHUAN, TI, HANG, TS'AO and SOU CHIN TI. Often two or three different types appeared on a single coin.

The first paper note to appear in Sun Dynasty and also in the world was the "CHIAO TZU". At first it was issued by private firms but later by the Government alone. In the first year of TI'EN SUN (1023 A.D.) a special bureau called "YIH CHU CHIAO TZU WU" was founded to supervise the issue of the CHIAO TZU. The bureau issued the first official CHIAO TZU in February the following year. In the time of Emperor HUI CHUN the bureau was re-named "TSIEN YIN". In the first year of TA KUAN (1107 A.D.) "CHIAO TZU" was called officially as "TSIEN YIN HU". "TSIEN YIN" is a certificate for obtaining payment. Nowadays we call it exchange notes. In the Nan Sung (i.e. South Sung) Dynasty other paper notes known as "KUAN TZU" and "K'UAI TZU" were issued.

The design of the Chiao Tzu was very simple, however; the "Tsien Yin Tzu" was already beautifully made in the three different colours.

In Sun the paper notes were valid for only three years after their issue. But many of them lasted only two years when they were already too dilapidated for use.

Other forms of currency used in Sun included the "Plate Coins" and "Silver Lumps". The former was a rectangular plate bearing the words "Lin An Fu Hsiang Yung" and had three face-values: 100, 200 and 500 Wen. They had a very limited circulation and cannot be regarded as a proper tender. The silver lumps were made in the form of a weight. At first they were used by the Government in paying the soldiers. In Nan Sun silver was chosen as the unit of value for the paper notes and as a result silver be-

came popular among the people. A lot of silver and gold coins also appeared. The gold "Tai Ping Coin" and the silver "Tai Ping Coin" were among the most beautiful coins which appeared in China.

1115-1234 A.D.

This was the period of occupation of north China by the CHIN tribes. The Sun Government was forced to move to the south of Yangtze Kiang and called itself the Nan Sun. The Chins picked up a lot of the Chinese culture, including Chinese currency. In many respects, they were even more advanced in their currency. The most outstanding paper note of the time was the "Chiao Tzu" issued in the second year of Hai-Ling and Chen Yuan (1154 A.D.) issued during the reign of Emperor Kao-Chun. The first coins to appear in the Chin regime were made of copper, later they were succeeded by iron and silver coins. The Chin were very skilful in their craftsmanship. The "Tai Ting Tung Piao" issued during the year of Tai Ting and the "Tai Wu Ch'ung Piao" were all of very high standard. The first silver coins, known as Chien An Tung Piao" were divided into five denominations from one tael to 10 taels. However no specimens of it have ever been discovered.

The Chins issued quite a number of paper notes such as the "Yu Chen Chuan", "Tsuan Ting", "Piao Chuan", "Yuan Kuang", "Chen Huo", "Tien Tsun" and "Piao Hui".

On the notes were printed the denomination, date of issue, the signature and chop of the director of the bureau issuing the notes and the punishment for counterfeiters. All of the above mentioned notes are very rarely seen now.

1271 A.D.-1368 A.D.

This period marked the conquest of China by the Mongols—the first time in Chinese history that China was ruled by a foreign tribe. Although the Mongol regime was short-lived, it brought about a fundamental change in currency—that is the switch from copper to silver as unit of value. Before, the principal tender was copper coins and even the notes in Sun Dynasty were no more than exchange notes and had "string of cash" as denomination. The Mongols under Ghengis Khan extended their empire to the Middle East where they learnt to use silver coins. After they had conquered China, they used silver for payments, transactions and rewarding the nobles. Later they minted their own coins which were very crude. Not many of these coins can be found nowadays, the most well-known being the "Ta Chao Tung Piao".

In the year Yuan Dynasty (i.e., the name of the Mongol Empire in Chinese) even the paper notes used silver as unit of value. Although on some of them was printed the amount of copper coins to which the notes were equivalent, there was no difficulty in converting the copper coins into the silver coins. The most important issue of paper notes in the dynasty was the "Chun Tung Ch'ao" (or the "Chin Yuan Tung Hsing Piao Ch'ao"), issued in the year of Chun Tung. They were used throughout the whole dynasty. The notes were still exchange notes in nature.

Whenever there was a surplus of paper notes on the market, the government would withdraw them and replace them with silver.

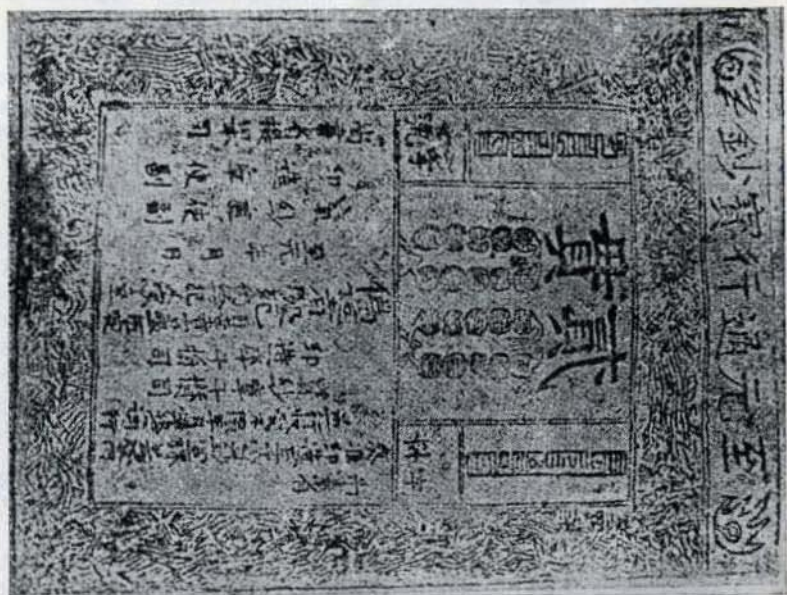


Fig. (1) is a copy of the Chih Yuan Tung Hsing Piao Ch'ao, face value two Kwan.

Copper coins were also used in the Yuan Dynasty but the amount made was very small compared with the other dynasties. Most of them were used in temples. The first ones to appear were the "Ta Chao Tung Piao" and "Chun Tung Yuan Piao". They are rarely seen now. The other Tung Piaos included the "Chin Ta", "Yuan Chen", "Ta Te" and "Ta Yuan". The most common one was the "Chih Cheng Tung Piao". There were 15 different kinds with different dates and names of cities written on the coins in Mongol. There was a peculiar kind called "Chuan Ch'ao Tsiea" whose function is still obscure.

Ming Dynasty (1368 A.D.-1661 A.D.)

At the beginning of the Ming Dynasty paper notes were the only legal tender and transaction with gold and silver was a serious offence. Later, due to inflation, silver coins were used alongside the notes. During the years 1436-1448 A.D. the notes fell out of use because of the depreciation in their value.

In the whole dynasty only one kind of note had been issued, something unique in the Chinese history. This note is known as the "Ta Ming Piao Chiao". There were, however, two sizes and several face-values.

Although the Ming copper coins exceeded the Yuan copper coins in their variety they were still considerably less than the other dynasties. The first one was the "Ta Chung Tung Piao",

made by the first Emperor of Ming Dynasty, Chu Yuan Chang, before he was enthroned. After he became Emperor of China, the "Hung Wu Tung Piao" was issued, "Hung Wu" being the title of his reign. Nearly all the Emperors after him issued their own coins. The most outstanding ones were the "Yung Lo Tung Piao" and the "Wan Li Tung Piao". The "Yung Lo Tung Piao" was used even in Japan for a short period after the 16th century. The "Wan Li Tung Piao" was said to be the most beautiful one among the Ming coins. Among the "Wan Li Tung Piao" the "Lung Shun Tsien" and the "Chia Ching Tsien" were the best known for the craftsmanship they showed. They were classified into categories according to their make, such as "Chin Pei", "Huo Ch'i", "Hsuan Pien". The material used was of very high quality resulting in a high cost. Those "Wan Li Tung Piao" which had words written on the back were treasured dearly by all collectors. The coins issued during the reign of Emperor Ming Szi Chung were marked for their great variety in size, weight, thickness and inscriptions. One of them has the picture of a racing horse at the back and is called accordingly the "Pao Ma Ch'ung Chen".

After the invasion of Northern China by the Manchus, the Ming Emperor was forced to move southwards to Nanking, and established the regime known as Nan Ming (meaning the South Ming). The Nan Ming Emperor also issued a number of coins, namely the "Hung Kuang Tung Piao" of Emperor Fu Wang, the "Lung Wu Tung Piao" of Emperor Tong Wang and the "Yung Li Tung Piao" of Emperor "Yung Ming". Although these coins were made at the time of a national crisis, they still exhibited very skilful craftsmanship, especially the "Yung Li Tung Piao" which

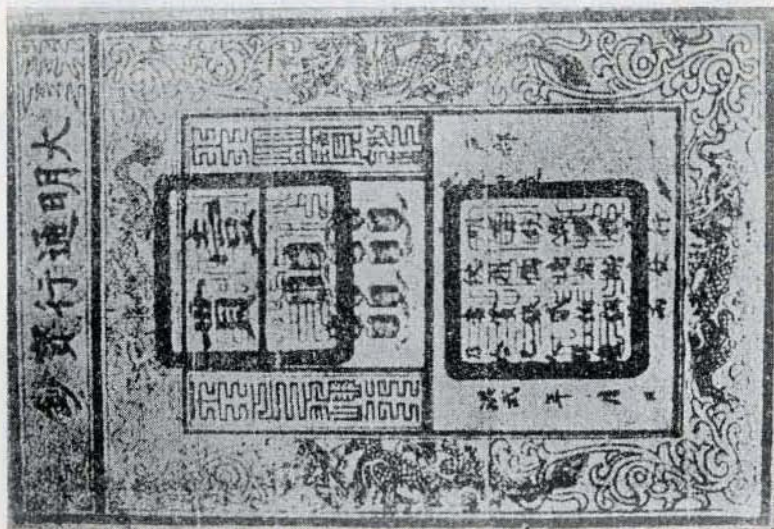


Fig. (2)—1 Kwan.

has four different types of letters: Chuan Hsu, Ti Hsu, Kai Hsu (printing type) and Hang Hsu (writing type). It was traditionally believed that the Chuan Hsu, and Hang Hsu types were made by Cheng Kung in Formosa.

The curious thing about the Ming currency was that the Tong and Sung coins were more popular among the people than the Ming coins. Even some of the privately-made coins used in Ming Dynasty were minted during the Tong or Sung Dynasties.

The famous outlaws of late Ming, Li Tzu Chen, and Chang Hsi Chung also issued their own coins, some of them, such as the Yung Ch'ang Tung Piao and the Ta Chen Tung Piao are still seen today.

Ching Dynasty (1636-1911 A.D.)

In the Ching Dynasty the currency used was mainly silver tael and coins. For payment of large amounts, silver was invariably used. Coins served as an auxiliary currency. The silver was made usually into small lumps weighing a few taels. A number were made in the shape of a Chinese bread called "Man T'ou" and were known as "Ku Ying". Small chips of silver were called "Ti Chu" or "Fu Chu". Later foreign silver coins were introduced and they soon became popular. Towards the end of the Ching Dynasty the Government even made its own silver coins with machines imported from western countries. We must have a clear understanding of the weight unit—"tael" (produced in Chinese as Liang) before going further. There were as many as four different kinds of taels, known respectively as "Ku Ping Liang", "Hai Kuang Liang", "Tsao Ping Liang" and "Kwang Ping Liang". They were all different from each other and we can imagine the calculation involved in transactions.

The Manchu had copper coins of their own even before they conquered China. The earliest known were the "Tien Ming Tsien" and "Tien Ch'ung Tsien", made in the time of Nu Ear Ha Ch'ih. The former type had both Chinese and Manchu characters while the latter had only Manchu characters which resembled Mongol characters and were known as the early Manchu characters. After the sixth year of Tien Ch'un the Manchu characters were revised.

Since Emperor Shun Chee all the Manchu emperors had new coins made at the beginning of their reign. The coins were named either Tung Piao or Yuan Piao. Sometimes Chinese characters were used often alongside with Manchu characters. On the back were inscribed the name of the province, face-value and sometimes of departments and means which made the coin, e.g. "Hu" means that the coin was made by the "Hu Pu" (Pu is equivalent to ministry) and "Kung" means that the coins were made by the "Kung Pu". The materials used for the coins included copper, lead or a mixture of the two. The most complicated Yuan Piao was the one made in the time of Emperor H'ang Fun. It had a number of face-values, the largest being 5,000. The name of provinces included even Sing Kiang which lies next to Tibet. It had no fixed weight. Due to lack of material and inflation the weight was later so much reduced that a coin issued earlier weighed as

much as several coins made later. Besides Chinese, Manchu characters also appear on the coins. Towards the end of the Ching Dynasty during the reign of Emperor Kuan Hsu and Emperor Hsuen Tung, the Government made new coins with western machines. These coins greatly resembled the western coins and were very popular with the people because of their novelty. Soon the provinces followed the central Government in issuing these modern coins.

Wu San Kuei, Ken Ching Chun and Sun K'e Wan, the three Ming generals who resurrendered to the Manchus and later rebelled, also issued copper coins. Wu issued the "Lee Yin Tung Piao" and the "Tsao Wu Tung Piao". Ken issued the "Yu Ming Tung Piao". All these Tung Piao used silver as unit of value. The Tai Ping Rebels also issued quite a number of coins. Most of them bear words such as "Tai Ping Tien Kou" or "Tai Ping Shen Piao".

With respect to paper notes, the Ching Dynasty can be divided into three periods. The first period is during the time of Emperor Sh'un Chee (1644-1661 A.D.) when the "Kuan Ch'ao" was issued. The second period lasted 120 years and during this period no note was issued. Until the reign of Emperor H'ang Fung the government was forced to print paper notes to relieve the pressure exerted by the Tai Ping Rebellion. The notes issued belong to two types:—

1. The Tai Ch'ing Piao Ch'ao which use copper coins as denominations.
2. Silver notes using silver tael as denominations.

After the Opium war of 1849, foreign banks began to issue notes in China. The railway department was the first to issue notes resembling the modern ones. It was soon followed by the Government Hu Pu Bank. The notes were, however, printed by foreign countries.

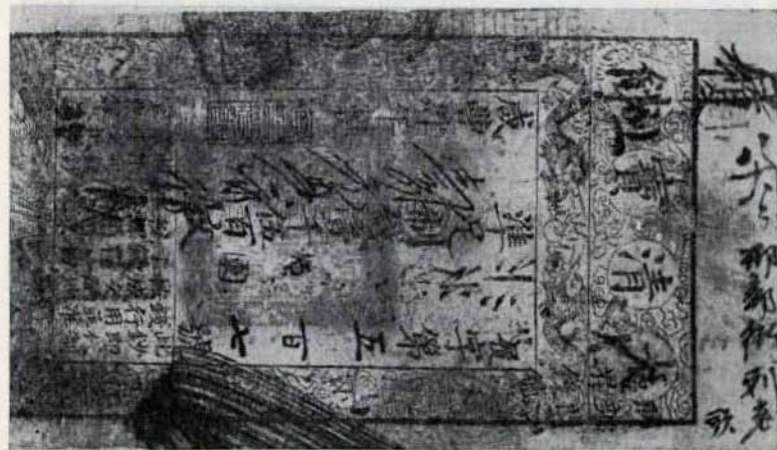


Fig. (3)—Tai Ch'ing Piao Ch'ao 1500 Wen.

Random Notes on Notes

by F. PHILIPSON

With most collectors of Bank Notes or in Numismatics, there is always some part of one's collection that creates a vital personal interest, and this can be brought about in several ways.

The historical background usually plays an important part, as well as its artistic set-up, or maybe, the circumstances by which it was issued, for one note or a coin, alone, can command greater attention than of having a complete series. In addition to this, you may come across them in a more personal way, as I shall attempt to illustrate.

Many collectors have notes of countries that they have visited and can build up a very fine and interesting travelogue of such occasions. If I were to give an example of my own experience, I would commence with Bank Notes of the Great War, 1914-19, when our Treasury authorised the issue of **£1 and 10/-** notes during the first week of August, 1914 and made four issues, the last being in October, 1919, after which it was carried out by the Bank of England. Some of these notes form part of my collection.

Having joined the Grenadier Guards and landed in France during September, 1916, my **5 and 10 Franc** notes can tell their own story, for, at that time they represented a week or two weeks of my army pay. Then in addition to the French Government issue, various Chambers of Commerce issued notes, one of which is a **2 Franc of Le Havre**, where we landed for our base camp nearby; this marks the beginning of my two years' active service with the Guards Division. To join our Battalion, we made a stop at **Rouen**, of which city I have six near mint notes to remind me. It is of interest to know of this city's connection with the "Maid of France", Joan of Arc.

I will not go into all the detail of towns that I have notes of, and visited, such as **Calais, Boulogne, St. Omer, Bethune, Lille**, but my note of **Amiens**, reminds me of being able to visit its most wonderful Cathedral, while as a contrast, a note of **Cambrai** is a grim reminder of one of the many battles fought in that area, and the important part our Guards Division played in stopping the "Breakthrough" on December 1st, 1917. There are many more places with similar memories connected with such places as Arras and the Somme front for which I do not have notes.

From France to Germany with its inflation period of which I have five notes of **Oberammergau**, that well-known Bavarian village; my wife and I attended its famous Passion Play in 1960. These notes themselves illustrate the plague of 1634 and of the promise made by the inhabitants to give a performance of the Passion every 10 years if they might be spared; no doubt many of our members have seen or heard about this.

Many other of these notes remind us of places we have visited, most of which are dated about the 1921-23 period. Some are historical, others bring Folklore or Humour into the design and are really worth while having a translation, if one is not familiar with the language.

I am not intending to dwell on my notes, but to convey on how they can give added interest, for in my youth work experience I have been fortunate in coming in touch with young people and leaders from all over the world, from **Hong Kong, Malaysia, Denmark, Caribbean, Canada** and **U.S.**, etc. This has helped to enlarge and enhance my collection, one such example being the acting as hosts to a youth party from **Finland** to find among them some very keen collectors. Exchanges that were made, created further interests in many ways.

The above shows how the fullest enjoyment can be had, particularly when one has some to give in exchange or to be able to enlighten someone by one's knowledge.

Some of our members have already read about the Mafeking Siege Note issue; this story has been told of their background. But to come nearer home, a place comes for English Provincial Bank Notes. A number of mine are quite local, such as **Derby, Buxton and Peak**, then a special place of honour to my **Nottingham** and **Nottinghamshire notes**, with their fine artistic steel engravings of Nottingham Castle as it appeared about the 12th century. This same castle, at which Edward III sometimes held his Parliament, was a Royal Fortress and also very convenient for hunting in our famous Sherwood Forest; that same forest in which Robin Hood had his headquarters whose exploits are widely known. I must not be led to bring in any more of this story, I know that both Canada and United States sell "Robin Hood" flour in their supermarkets. This same Nottingham, played an important part in our Civil War period, Charles I and Cromwell, and this gives me a lead to the Civil War of America. It was a great help to me to have a good basic knowledge of American History. My collection of **Confederate notes**, too, brought me in contact with descendants of those who had fought on either side, from whom I was able to read letters and examine relics.

It is noteworthy that during our first eight months centred in the Indiana area one was able to visit the Study of General Lew Wallace, Federal General in the Civil War, 1861-65, at Crawfordsville, then on a visit to Virginia to be given a warm welcome at the State Capital, Richmond, and an even greater thrill was for my wife and I to enjoy the hospitality of our I.B.S. Secretary, George Broughton, Mrs. Broughton and family. A most enjoyable time was spent in both bank notes and numismatics, I had a small part of my collection with me; in addition we were together at the Central States Numismatic Convention at Chicago and again at the Indiana State Convention at Lafayette.

In these conventions, Bank Notes do play an important part in the wonderful displays that they arrange.

It was through our Secretary, that I was able to meet so many who gave me a very warm welcome. George Broughton is doing a splendid job for us, and I can also add the same remark on Colin Narbeth, our worthy Editor here in Britain. My wife and I got as far as Florida, and in our very short stay at St. Petersburg we just managed to say "Hello" to Grover Criswell and see part of his very fine Money Museum. In the mention of these contacts I want to stress the fact that we are all members of an International family. Our President, Jimmie Lawrence leads the way by meeting members on his travels and getting to know them, but others may not be so fortunate. Still, they can introduce themselves when writing to other members re exchanges. Here I suggest that the **too business-like approach is avoided**. I have had this type, "I have got this, I want so and so". Surely, one writing from another country can say a little more than that? We should not consider ourselves strangers.

And so to end with a note of the latest additions to my collection, this from a member of our Youth Group who left Nottingham a few years ago for U.S.A. with his parents. I met him last year in Chicago prior to his being called up for military service; last week in his latest letter from **Vietnam**, he enclosed coins and notes of that country along with his news.

It is additions like this, that brings a more stimulating interest into one's collection, for it is not always the quantity, but the story behind that counts most, just like the personal touch, that you can put into your own letters when making contact with fellow members of this our Society.

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General Francisco Villa

by C. VICTOR DELOE

Of the many colourful Mexican Revolutionary leaders possibly the most colourful was General Francisco Villa. Born Doroteo Arango in 1877, he became leader of a group of cattle thieves in his thirties and changed his name to Pancho Villa. His acts of robbery and murder gave him a reputation among the poorer Mexicans as a modern Robin Hood. A reward, offered by the government for his capture, prompted him to join forces with Francisco Madero to over-throw President Diaz in 1910. After Madero's inauguration as President in late 1911, Villa retired to the northern states of Durango and Chihuahua.

When Madero was assassinated by General Huerta's troops in 1913, Villa joined Venustiano Carranza. Together they drove Huerta from the country. Disagreement between Villa and Carranza resulted in Villa occupying Mexico City and Carranza fleeing to the port of Vera Cruz. Carranza's army later succeeded in forcing Villa out of Mexico City. When the United States announced its support of Carranza, Villa developed a hatred for all Americans. This hatred led to the murder, by Villa's troops, of several Americans in Mexico and a raid on the border town of Columbus, New Mexico. In an unsuccessful attempt to capture Villa, General John J. Persing led an expedition into Mexico causing strained relations between the two countries for some time.

A land grant by the government in 1920 brought an end to Villa's twin career of robbery and revolution. In 1923 he was shot and killed while riding in his automobile.

Only one of the many paper money emissions of this period bears Villa's name although he was undoubtedly responsible for several others. The Tesoreria General Del Estado le Chihuahua issue of December 10th, 1913—in denominations of 5, 10, 25 and 50 centavos, 1, 2, 5, 10, 20, 50 and 100 pesos—bears his name as provisional governor.

These notes have a coloured ground printing of dots and the denomination in words and numerals. The inscription on the notes is as follows: "Tesoreria General Del Estado/El Presente es Value, al Portador, Por/Un Peso/Chihuahua, 10 de Diciembre de 1913/Gobernador Provisional Del Estado,/Gral. Francisco Villa." The bottom bears two signatures and there are two red serial numbers on peso notes and one number on centavo notes.

This series has many interesting varieties, also a wide range of prices—from 50 cents to 100 dollars. After circulation many of the notes were rubber stamped, by Chihuahua and other states, to combat counterfeiters. They were stamped and signed as

authentic or were stamped "Revalidated"; some notes bear both stamps. Some genuine notes were later stamped "Nulo" to indicate they no longer had any value. There are two different sizes 10 and 25 centavo notes. The 1, 2 and 10 pesos were printed with and without the name of the state printing office at the bottom. The 20 peso notes have a correct and an erroneous spelling of veinte (20).

Also of interest is a 5 peso note, circulated in the state of Jalisco by General Antonio Delgadillo, commander of the Villista army in that state. This note bears the Mexican Coat of Arms in the centre, Ejercito Villista in the top centre and General Delgadillo's name twice in the bottom centre.

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REPUBLIC OF KENYA

ISSUES FIRST BANKNOTE

by JERRY REMICK

The Republic of Kenya put its first series of banknotes into circulation on September 14th, 1966. The notes with one exception are of the same denomination as those put into circulation by the Republic of Uganda on August 15th, 1966, and by Tanzania (Tanganyika and Zanzibar) on June 14th, 1966, namely 5, 10, 20, 50 and 100 shillings. However, it should be noted that Uganda and Tanzania did not issue a 50 shilling note and that this is the first time a 50 shilling note has been issued in British East Africa since its formation before World War I. Kenya was the last member to use the notes of the East African Currency Board and these notes will now be withdrawn.

The new banknotes for Kenya are each a different colour and a different size, becoming progressively larger as the denomination increases. All notes are dated July 1st, 1966. The obverse of each denomination is much the same and it shows the portrait of the President of Kenya in western dress, the coat of arms of Kenya, and the denomination in English and in the native language of Kenya. The notes were issued by the Central Bank of Kenya. There is no indication of the firm that printed the banknotes. Each note has a watermark showing a lion and a thin string of metal down the note vertically (similar to the notes of Great Britain).

The reverse designs are different colourful scenes of natives working in the fields with mountains in the background. The reverse designs and particulars of each note are as follows:—

- 5 shillings: Brown, 2½in. x 5½in. Native girl picking berries from a tree.
- 10 shillings: Green. 3½in. x 5½in. Three natives picking crops in a field.
- 20 shillings: Blue. 3½in. x 6in. A freight train carrying logs. One man carrying logs.
- 50 shillings: Brown. 3½in. x 6in. Three men and one woman picking cotton.
- 100 shillings: Purple 3½in. x 6½in. Three native women cultivating a field of pineapple.

Tanzania issued a set of coins in August, 1966. The Republic of Kenya and The Republic of Uganda will probably each issue their own coinage but not until 1967. In the interim Kenya and Uganda continue to use the coinage issued by the East African Currency Board.

The President's Corner

It has taken us five years to reach membership number 500, but we are there, and that is what counts. Going through the Secretary's reports of this year, I find that we have had very few "drop-outs". I would like to put this down to the hard work of my officers. Here I want to mention by name three of these officers who have really done a great job of work this year for our Society: Colin Narbeth, our Editor; George Broughton, our Secretary; and Joe Sullivan, the Treasurer. Thank you chaps! You have helped to keep the I.B.N.S. members together and happy.

To all our members, what would our Society be without you? Thank you for keeping up your payments of subscriptions. It is only you, who, by paying your subs on time, keep our editor working on the next journal.

My wife Valerie and I have met, during our travels, almost half of our members personally, and the other half I have met through writing. I have thoroughly enjoyed meeting you all and think you are all "swell". Again at the A.N.A. Convention held at Chicago and the C.N.A. in Winnipeg, Canada, we met over fifty of our members and a few of the Officers.

A special breakfast meeting was arranged by our Chairman of the Membership Committee, Cale Jarvis, during the 13th annual Canadian Numismatic Association Convention in Winnipeg, Canada. It was a great success and several folks asked permission to attend to find out more about the club. Most of them later filled in membership forms—and paid their subs.

During the brief informal talk I gave at this breakfast, I outlined the progress of our Society, also explaining the many difficulties we have in keeping our members happy. I brought forward the subject of costs to our club for postage and printing. I would like a vote from our officers and members to increase our membership dues from \$3 to \$5. What are your reactions towards this in order to enable the club to function more satisfactorily? At the breakfast meeting it was voted for unanimously.

Also at this meeting, in reply to a direct question from the floor, I told the members present that I would be amenable to serving another two years in office as President.

Members present at the breakfast included: Walter D. Allen, Ontario; Major S. S. Carroll, Ottawa, Ontario; Eddie Echenberg, Sherbrooke, Quebec; Mr. and Mrs. Douglas Ferguson, Rock Island, Quebec; John Fripp, New Westminster, Ontario; Larry Gingras, Richmond, British Columbia; Jay Guren, Coin World, Sidney, Ohio; Somer James, Winnipeg; Cale Jarvis, Toronto, Ontario; W. H. McDonald, Willowdale, Ontario; Lindsay M. McLennan, Hamilton, Ontario; Mr. and Mrs. Don Stewart and son, Donald, Calgary, Alberta; Jack Veffer, Toronto, Ontario; Mrs. Valerie Lawrence, South Africa; R. C. Willey, Espanola, Ontario; and Norman Williams, Vancouver, B.C.; Rudy Neuparth, Edmonton, Alta; and W. G. Sandall, Ontario.

Now to further enlarge upon the idea I put forward in my last letter about presenting a shield to the member who enrolls the most, genuine, new members by April, 1967. I sincerely hope that you have all started and that you will keep a detailed list of people you enroll which you can send to me at the end of April, 1967, to reach me not later than 30th May, 1967. A full list of members who send entries will be published in the following mid-year issue of our magazine. This shield, a picture of which will be in our next issue, will be a "floating trophy" which, if it is won three years in succession by the same person, will then belong to him.

To close my letter, I wish, on behalf of all new members to thank the folks for the bank notes they have so kindly sent to me, to sort and send on to our new members. I will attempt to publish a list of donors' names in our next issue. Why attempt? Well, you see, some bundles of notes have been sent with no names attached making it impossible for me to know from whom they came! Thank you all the same.

My wife and I would like to wish all officers and members a very Merry Christmas and a Happy and Prosperous New Year, particularly with respect to your Bank Note Collections; may they grow in size and interest and give you many hours of joy and happiness in 1967.

JIMMIE N. LAWRENCE

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ROUND AND ABOUT

by COLIN NARBETH

It has been a good year for members of the Society and paper money collecting is on the increase, as are the members of the Society. George, our Secretary, had his hands full for a few months with domestic problems which led to a few letters unavoidably being left unanswered. But now George is back in the saddle so woe betide the dragon!

One incident during the year which alone makes the Society worthwhile was a general get-together of members, some of whom travelled great distances—in all 24 members met at a special I.B.N.S. breakfast organised by Cale Jarvis—who is publisher of the fortnightly newspaper "Coin, Stamp, Antique News" (an excellent paper with a wealth of paper money articles and information—address: Suite 305—62 Richmond W., Toronto 1, Canada). All the way from South Africa for this breakfast in Canada went our President, Jimmie Lawrence. On his latest tour of the world the President and his charming wife, Val, both won paper money awards at the American Numismatic Convention.



Jimmie took the First Award for N.C.W. "Y" Class (National Coin Week) and First Award for Foreign Paper Money (Stuart Mosher Memorial Award). Val took second prize with a Ming note. The only thing that marred their visit was the theft of \$15,000 worth of Val's jewellery in Chicago.

A request from Richard A. Long, P.O. Box 10075, Corpus Christi, Texas 78410. Mr. Long is compiling a study of the early banks of Mexico and would very much like to hear from collectors who have any bills from: El Banco de Aguascalientes, El Banco de Campeche, El Banco de Chiapas, El Banco de Coahuila. He is interested in matching signatures with dates and serial numbers and would appreciate hearing from collectors who have even a single bill from any of these banks. Please help him to help us—for the biggest complaint of collectors is the lack of published material. Now is your chance to help.

Talking of published material, one or two very nice works have appeared during the year. The Coinage of Jamaica by Ray Byrne and Jerome H. Remick (Almanzar's, Suite D, Milam Building, San Antonio, Texas 78205). Needless to say the paper money section, with over 50 illustrations, is by Jerome, a staunch member of the Society. Ray Byrne's contribution in the coin section is also an invaluable reference.

For Australian numismatics the year has seen a "must" in the form of Renniks Australian Coin and Banknote Guide, priced only at \$1.50 and with over 60 illustrations of paper money and a full catalogue from 1910 to 1966 by Sydney V. Hagley, F.R.N.S.—another well-known member of the International Banknote Society.

From Europe comes a new, litho printed book, Yugoslavian Paper Money, by D. B. Spajic of Belgrade, one of the Society's top experts in Eastern Europe. Priced at 25s. or \$3.75 it is obtainable from the editor. This is the first ever full catalogue, priced, of Yugoslavian States paper money and has 44 illustrations.

Mr. R. A. Greene of Canada makes a plea for members to think about binding the magazine and to send in suggestions. If enough members show a wish to do this the Society will produce an index to go with the magazines printed so far. Unfortunately many of the earlier issues are now well and truly out of print, though any member wishing to have copies made may do so from the editor's file copies.

All the officers of the Society wish members a Merry Christmas and many banknotes, both for spending and collecting, in the New Year!

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C. NARBETH

Mayfield, 103 Kirby Road, Walton-on-Naze, Essex, England.

An extract from Sydney V. Hagley's paper money section (Rennicks Australian Coin and Banknote Guide)

Until 1910 the notes issue had been, with two exceptions, in the hands of the private banks for over ninety years. About fifty of these banks had exercised the right of issue. However, by 1910, the number of banks had been greatly reduced by mergers and absorptions, some of which occurred as the result of the financial crisis of 1893.

In 1893 the government of New South Wales issued Treasury notes to tide over the difficulties arising from the suspension of payments by some of the banks, but these had a limited issue.

However, the Queensland government, by an Act of June, 1893, became the sole issuing authority in that State and remained so after federation and until the Act of 1910 prohibited further issues.

Private banks were not debarred from issuing notes until the Act of 1945 but the 10% p.a. tax imposed by the Act of October, 1910, made the practice unprofitable and no further issues were made.

Section 7 of the Bank Notes Act, 1910, sanctioned the over-printing of the state and private bank notes as a temporary measure to render them government notes and the notes of fifteen banks were so treated. These circulated for three to four years until the distinctive government notes gradually replaced them.

The over-printing in black crosswise on the face of the notes was, beneath the Coat of Arms, AUSTRALIAN NOTE in block letters and below, in script letters, "Payable in gold coin at the Commonwealth Treasury at the seat of government. Jas. R. Collins, accountant, Geo. T. Allen, Secretary to the Treasury, 1st December, 1910", with, in most cases, the serial letter and number each side of the Coat of Arms and at the bottom of the inscription. These over-printed (so-called superscribed) notes, although issued under the authority of the Act, are omitted here as this listing is designed to cover only government notes of dis-

tinctive design. G. W. Tomlinson's "Australian Bank Notes, 1817-1963" is an excellent reference on these and the issues of the private banks. The over-printed notes are the only ones to bear a date as an Act of 1914 amended Section 6 of the Bank Notes Act, 1910 by deleting the words "and bear date at".

Denominations provided for in the Act were, Ten Shillings, £1, £5, £10 and any multiple of ten. A later Act of 1920 added a five shilling note, but this was never issued. Provision for a five shilling note was retained in the Reserve Bank Act, 1959 until section 35 of this Act was amended in 1965. The Reserve Bank Act, 1965 provided for denominations of one, two, five, ten, twenty and fifty dollars or any other denomination determined by the Treasurer.

The note issue was in the hands of the Treasury for ten years until it was transferred to the Commonwealth Bank. The Act of 1920 repealed the Acts of 1910-1914 and a board of four was set up to manage the note issue, the first Chairman of Directors of the newly formed "Note Issue Department" being the governor of the Bank, Denison Miller. James Kell became governor of the Bank on the death of Denison Miller in June, 1923, and thus, ex-officio, Chairman of Directors of the Note Issue Department.

By an Act of 1924 the responsibility for the note issue was transferred to the board of directors of the Commonwealth Bank. The notes thereafter were signed by the respective "Governors" of the bank until the re-organisation under the 1959 Act when the responsibility for the note issue was transferred to the newly constituted Reserve Bank of Australia.

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